SHRI JANARDHAN POOJARI: No.

DR. BAPU KALDATE: This is the same.

SHRI JANARDHAN POOJARI: There will not be any difficulty. That is why this step has been taken.

DR. BAPU KALDATE: Thank you.

MR. CHAIRMAN: No second supplementary. So, we go to the next question No. 233.

*233. [*The questioner (Shri Thangabalu) was absent. For answer,* vide *col.* 44 infra].

*234. [*The questioner (Bhagatram Manhar) was absent. For answer,* vide *col.* 44-45 *infra*]

R.B.I. guidelines for grant of loan

*235. SHRI KALPNATH RAI: Will the PRIME MINISTER be pleased to state:

(a) whether the Reserve Bank of India has given any new guidelines to banks recently regarding grant of loans to different bodies/sections of society, particularly the weaker sections; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) A Statement is laid on the Table of the House.

Statement

(a) and (b) The Reserve Bank of India issued instruction in February, 1983 to all commercial banks advising them to raise the proportion of advances to priority sector to 40 per cent of their total advances by the end of March 1985. The banks were given a sub-target within the priority sector, of lending to weaker sections and were advised by Reserve Bank of India that the outstanding advances in favour of weaker sections should be at-least 10 per cent of total advances by the end of March 1985. The actual performance of public sector banks in lending to priority sector is set out below:—

	March 1985	September 1986
(i) Percentage of priority sector advances to total advances.	41·3	43·4
(ii) Percentage of Weaker Section advances to total advances	9·4	10·8

श्री कल्पनाथ राय : सभापति महोदय, मैं माननीय मंत्री जी से जानना चाहता हूं कि रिजर्व बैंक ने जो गाईडलाइंस दिये हैं उसमें जो गरीबी की रेखा के नीचे वाले व्यक्तियों को लोन मेला के माध्यम से कर्ज दिए जाते हैं, उसको क्या-क्या शर्तें हैं ?

SHRI JANARDHAN POOJARI: You mean the purpose of the loan functions?

SHRI KALPNATH RAI: Criteria.

SHRI JANARDHAN POOJARI: The purpose of the loan function is to see that the credit given to the weaker sections is accelerated and also to show that it reaches the weaker sections and that the people of this country should know whether this programme is being implemented properly or not. And if there is any element of corruption, then this element

is also eliminated. When the people are there, and in their own presence the loans are given, there is no scope for any corruption in those cases. This is also in order to see that these procedures are followed properly by the bank officials. Since for Rs. 5,000 no security is required and without securities these loans are given to the weaker sections, it is to be ensured that these procedures are also being followed. All these things are done in their presence not only to educate the people but to impress upon the beneficiaries to pay back the loan amount. We are educating the weaker sections by displaying there information on assets, loans and other activities. This is being done in order to educate the villagers who are not fully conversant with the procedures and to acquaint people who are living below the poverty line.

श्री कल्पनाथ राय : मान्यवर, क्या मंत्री महोदय बतलाने की कृपा करेंगे कि जो लोन दिए जाते हैं वे कैसे आप रिकवर करेंगे ? उन लोनज को आप कैसे वापस लेंगे ? मान्यवर, दूसरी बात मैं यह जानना चाहता हूं कि लोनज मेलें के माध्यम से जो कर्ज दिए जाते हैं, उन कर्जों में से बहुत से पैसे बैंक के कर्मचारी और कुछ डाक्टर्स जो होते हैं वह कुछ कमीशन लेते हैं, उसको रोकने की आप क्या व्यवस्था कर रहे हैं ?

SHRI JANARDHAN POOJARI: Sir, whether it has been brought to our notice that some people have taken commission, action has been initiated. According to the camps when it has been brought to our notice, there itself action has been taken. Not only that when we find these people, particularly, the officials and other people living beyond their means, there also action has been taken. In the month of January last year, in one day we have taken action in 48 cases and 48 bank officials' houses were raided by C.B.I.

SHRI DHARAM CHANDER PRASHANT: Sir, may I know from the Minister whether RBI's guidelines include loans for war widows and ex-servicemen on priority basis when they apply?

SHRI JANARDHAN POOJARI: If they belong to weaker sections, then, there is a separate programme for them. If they are uneducated unemployed, then, there is a separate programme for those people also. If the war widows and ex-servicemen come under this category, they will get the loans. However, each case will be examined on merits. Their project should be for productivity purposes. Loans are given for productivity purposes. We have also issued instructions that war widows' and ex-servicemen's applications should also be considered and their applications should not be rejected on flimsy grounds.

SHRI SUKOMAL SEN: Sir, may I know simply the Minister whether the loan melas come under RBI's guidelines? I would also like to know whether it has been done on a political decision with the political purposes.

SHRI JANARDHAN POOJARI: Sir, it is done on the Reserve Bank of India's guidelines. I want to make it very clear. On the basis of this, guidelines have been issued to the banks to have credit camps outside the bank premises twice in a month. In a big way to accelerate flow of credit, big credit melas are held in different parts of the country.

SHRI RAJIV GANDHI: Sir, if I may added to that, there has been a problem as the hon. Member is aware about some of these loans not arriving at the correct recipient. I would like to thank one of the Members from the Opposition and particularly I believe from West Bengal who raised this question during his answer on the President's Address and

I agree with him entirely and I presume being a Member from West Bengal, he was talking about West Bengal that there are certain grave problems in West Bengal where the loans do not get to the people.

SHRI SUKOMAL SEN: Sir, I protest. That is wrong (*Interruptions*)

SHRI RAJIV GANDHI: And one of the reasons that such loan melas are good is that the local parochialism can be cut through and the benefits can go to the correct beneficiaries. (*Interruptions*).

MR. CHAIRMAN: All of you please sit down. I am asking Mr. M. S. Gurupadaswamy.

SHRI M. S. GURUPADASWAMY: Sir, the Prime Minister has opened the Pandora's box by his answer. May I know from him whether it is not a fact that in certain areas, in certain States, loan melas have been converted into political melas?

MR. CHAIRMAN: Question Hour is over.

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12 NOON

SHORT NOTICE QUESTION AND ANSWER

Currency press at Salbourni, West Bengal

1. SHRI JAGESH DESAI: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Government of India had announced its decision to set up a currency press at Salbourni, West Bengal and whether the decision stands even now; and

(b) if so, what actions the Government have taken in that direction and details of progress made so far in its implementation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) The Site Selection Committee has selected Salbourni in District Midnapore, West Bengal as a site for setting up a New Currency Note Press. A detailed feasibiltiy report is being prepared.

SHRI JAGESH DESAI: Mr. Chairman, Sir, I am happy that the Government is implementing its decision to set up a currency press in the State of West Bengal. But I would like to know from the Minister whether during the visit of our Prime Minister, any Central team visited the State of West Bengal last year and whether this subject of setting up of a new currency press cropped up at the meeting with the Chief Minister of the State and if so, whether the subject was discussed in that meeting or not?

SHRI JANARDHAN POOJARI: Sir, it is true that the hon. Prime Minister with his team visited the West Bengal on 18th September, 1986 and in the meeting, this issue had come up. When it was raised, the hon. Prime Minister had stated that this currency press will be set up in West Bengal.

SHRI JAGESH DESAI: Sir, I am happy that the Government has taken a decision and the Site Selection Committee also selected Salbourni for establishing a new currency press. But Sir, I would like to know from the hon. Minister the broad outline of this Project.

SHRI JANARDHAN POOJARI: Sir, this project will have the capacity of 5,000 million pieces per year and the cost of the project would be about Rs. 370 crores. A feasibility report is being prepared in respect of this project and when the report comes, further details will be available.

SHRI SUKOMAL SEN: Sir, this question of setting up a currency press in West Bengal was mooted